



USAID | HONDURAS

Laws, Policies, and Regulations that Promote Trade and Investment

USAID activities in this area are designed to provide technical assistance to facilitate Honduras' commitments to the US-Central American Free Trade Agreement (CAFTA). USAID is also helping to enhance the country's ability to conduct independent trade, investment, and competitiveness (TIC) policy research and analysis, support the formulation and implementation of effective TIC policies to enhance Honduras' business competitiveness and sustainable natural resource management, and strengthen Honduras' contribution to a more integrated region.



In the trade and investment policy arena, USAID is focusing on activities that have a direct impact on economic growth. Policies that are being addressed by USAID include simplified procedures for business start-up, anti-monopoly measures, and trade and financial policies. USAID is focusing particularly on trade and competitiveness capacity building in conjunction with CAFTA, the Free Trade Area of the Americas, and the World Trade Organization. USAID is providing demand driven assistance in macroeconomic and financial policy formulation. Resources are being made available to implement the agreement's support of key issues such as market access, intellectual property rights, sanitary and phytosanitary inspections, dispute resolutions assistance, improved trade analysis, and rules and regulations supporting free trade.

With more integration and the international market through free trade agreements, commercial businesses will want to engage more with the Government of Honduras to eliminate policy constraints that reduce their competitiveness in the global economy. USAID will help to identify these constraints and develop and implement plans to eliminate them. In addition, USAID is also refocusing its microfinance and banking support program to include a core component to assist the National Banking and Insurance Commission in effectively supervising regulated microfinance institutions.